NC STATE ETHICS COMMISSION PROPOSAL FOR A NEW STATEMENT OF ECONOMIC INTEREST FILING APPLICATION, DATABASE AND ONLINE ETHICS EDUCATION TRAINING PROGRAM

PURPOSE: Design, develop and implement a new application for individuals covered under the State Ethics Act to electronically file and amend Statements of Economic Interests (SEIs). The application would include a state-of-the-art searchable database and comprehensive management tools. Develop and implement a new updated and integrated online education program. Review all of our databases to ensure proper functionality and security.

STAKEHOLDERS:

- More than 7000 annual SEI filers including legislators, judicial officials, counsel of state members, cabinet officers, covered state employees, and appointees to approximately 300 State boards.
- Ethics Liaisons who serve as the conduit for information between the Ethics Commission and covered persons.
- Ethics Commission Staff.
- Citizens and other members of the unregulated public who seek copies of SEIs from the Ethics Commission.

GOALS:

- One RELIABLE integrated filing platform and integrated online education system.
- Comprehensive internal management tools and integrated communication tools
    - Robust data administration for SEI filing and education compliance
    - Ability to communicate with filers and ethics liaisons directly from the database
        - Currently all communication is made via email or hard copy letters
- Customer-friendly intuitive filing of SEIs for all filers—encouraging more electronic filing.
- Easier updates to electronically filed SEIs. This includes ability for filers to update their personal contact information at any time.
- Streamlined software maintenance capability permitting more maintenance by SEC staff.
- Updated interactive online education program.
- Ability to file SEI and take online education on mobile devices 24/7.
- Ability to internally produce self-planned reports.
- Empower Ethics Liaisons:
    - Ability for Ethics Liaisons to access and update information for their agency or board filers to assist with SEI filing and education compliance.
    - Provide template notifications to ELs to assist them with communications directly to their covered persons.
- Provide for automatic redaction of personal contact information on public-facing searchable forms.

STATE OF CURRENT SYSTEM:

- **Database** :
    - Created in 2010

- Data is stored in a single database in Microsoft SQL Server 2008.
- Paper SEI files must be manually scanned into a separate IT server [Documentum File Services] and then mapped into our database or uploaded individually in a multi-step process. (very labor intensive)
- Annual updates to improve the system have created new issues.
- Data isn't always reliable because of system clitches. Currently, the education due date doesn't always update.

- **SEI Filing:**
  - SEI Electronic filing began in 2012.   Electronic filers need an NCID to utilize the system.
  - Functional: It currently works but functionality is limited. Improvements to functionality lead to technical glitches and issues.
  - Difficult to maintain: no ability for SEC staff to make any changes to website, database platform, SEI form, etc.
  - Online SEI filing program is riddled with issues causing customer frustration. 2016 filing year has been challenging for our customers and staff.
  - No ability to file from a mobile device.
  - Online filers have to get an NCID through DIT but DIT archives those accounts if they are not used for 18 months. This means a filer who files electronically in January of one year but not until June of the following year, may no longer be in the NCID system and can't access their prior form. Filers must use the DIT helpdesk for all NCID issues, leading to increased frustration.
    - Not customer friendly. Daily complaints and frustrations expressed by filers.
  - Once an SEI is filed, amendments and corrections can <u>only</u> be made by re-filing a new form, or Commission staff must send a supplemental form via email or mail for the filer to submit in paper form. Electronic filing of supplements is not available.
  - Very dependent on services of a part-time IT contractor for all IT issues, corrections, troubleshooting, etc. Resulting in delayed response to customers and ever-increasing frustration for customers and staff.

- **Online Education Program**:
  - Written and produced by UNC School of Govt. in 2010.
  - Developed in Adobe Presenter and produced in a Flash (flv) format.
  - Uses Adobe Flash in the browser to run.
  - Moved to the Ethics Commission's server in July 2014 because DIT would no longer support it.
  - Functional: Works and people take online course daily.
  - BUT:
    - Constant issues with sound not working and people not receiving the certificate of completion, leading to customer frustration.
    - Not friendly to the hearing impaired.

- The Ethics Act has been amended every year, however, staff and UNC School of Govt. staff who designed the program, can't make any edits or updates to the online program.
- Cannot be viewed from a mobile device and us is limited to certain internet servers.
- Have to take education every two years so many people have now taken the same online program 3 times and complain that it hasn't changed and isn't up to date. New technology permits a more interactive program.
- Very dependent on services of part-time IT contractor for all IT issues, corrections, troubleshooting, getting copies of certificates when requested, etc.   Resulting in delayed response to customers and ever-increasing frustration for customers and staff.
- Individuals can't check for their compliance status or due date.
- Staff can't make corrections or updates to our website regarding education programs.
- No mechanism to ensure proper completion of the program.

PROPOSED STEPS:

1. Following the model of other states (e.g. Massachusetts), by hiring a vendor to examine and analyze the current SEI filing applications, all databases, systems and online education program utilized by the Ethics Commission to determine the needs and make recommendations to include:
   a. A complete documented project recommendation (RFP) which will serve as the template to build a new e-filing system and online education program.
   b. A statement of work to be used in the procurement of the new e-filing system.
   c. The development of a contract and application specifications relative to the selection of a vendor who will then develop and build a new web-based SEI filing application.

   This vendor would not be eligible to submit an RFP or otherwise bid on the opportunity to build and develop the new e-filing system.

2. Issue an RFP to find a vendor to build and develop the new application in consultation with Ethics Commission staff.
3. Contract for the project.
4. Work closely with the vendor providing oversight, resources and expertise until completion.
5. Have a period of transition for the vendor to manage and maintain the system with a view toward the SEC having the ability to provide the primary maintenance for the long- term of the system.

BUDGET ESTIMATES:

1- **For Step One—**Massachusetts Ethics Commission spent $40k on this step in 2014.
2- **For Steps 2-5—**In 2015, Massachusetts spent $850k on just a new SEI filing platform, database and management tools.
   Texas spent approx. 1 million on the same.
3- **We would have a better picture of the cost after having step one above completed.** However, it is very possible that a new filing system, database, online education program and front-end management tools could be less than $850k if we didn't have to start from scratch.